

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
SHERMAN DIVISION

UNITED STATES OF AMERICA	§	
	§	No. 4:22CR153
v.	§	Judge Jordan
	§	
EUGENE ELFRANK (3)	§	

**FACTUAL BASIS**

The defendant, **Eugene Elfrank** (“**Elfrank**”), hereby stipulates and agrees that at all times relevant to the Indictment herein, the following facts were true:

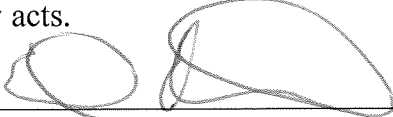
1. The defendant, **Eugene Elfrank**, who is entering a plea of guilty, is the same person charged in the Indictment.
2. The events and conduct described in the Indictment occurred in the Eastern District of Texas and elsewhere.
3. **Elfrank** willfully conspired with others, including co-defendants Nick Book and Jason Cross, to defraud and obtain money or property by materially false or fraudulent pretenses, representations or promises.
4. **Elfrank** acted with the intent to defraud and joined in the agreement with the intent to further its unlawful purpose
5. As part of the scheme, **Elfrank** and his co-conspirators performed the following acts in furtherance of the conspiracy, among other things:
  - a. Used the business Isotex Health, LLC to solicit funds from prospective investors;

- b. Opened and used various bank accounts, including an Isotex Bank Account ending in 1028 at Legacy Bank of Texas, to receive and transfer investor funds;
- c. Falsely represented to investors that Isotex had lined up purchase orders, sales contracts, and letters of intent totaling several billion dollars;
- d. Pitched investors through in-person meetings, phone calls, and emails;
- e. Provided marketing materials to investors detailing their business and revenue plan;
- f. Told investors that the investor funds would be used for purchasing hemp seeds, hemp biomass, and other related business expenditures;
- g. Executed contracts with investors, which described: specific figures on rates of return and payouts; collateral to be used in the event of inability to repay the investment; and promised use of investor funds;
- h. Spent the majority of investor money on personal and business expenses unrelated to the purchase of hemp seeds and hemp biomass for Isotex; and
- i. Caused wire transfers and financial transactions that affected interstate and foreign commerce.

**DEFENDANT'S SIGNATURE AND ACKNOWLEDGMENT**

I have read this Factual Basis and the Indictment and have discussed them with my attorney. I fully understand the contents of this Factual Basis and agree without reservation that it accurately describes the events and my acts.

Dated: Feb 14, '23


  
\_\_\_\_\_  
EUGENE ELFRANK  
Defendant

**COUNSEL FOR DEFENDANT'S SIGNATURE AND ACKNOWLEDGMENT**

I have read this Factual Basis and the Indictment and have reviewed them with my client.

Based upon my discussions with the defendant, I am satisfied that the defendant understands the Factual Basis and the Indictment.

Dated: Feb. 14, '23

  
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KATRYNA SPEARMAN  
Attorney for the Defendant